National Institutes of Health
Information Technology Acquisition and Assessment Center (NITAAC)

Electronic Commodities Store III (ECS III)

Delivery Order Guidelines

November 16, 2006

FOREWORD

The Electronic Commodities Store III (ECS III) *Delivery Order (DO) Guidelines* contain the procedures for using the National Institutes of Health (NIH) Information Technology (IT) Acquisition and Assessment Center's (NITAAC) ECS III contracts. These *Guidelines* are presented from the customer's perspective; however, in some cases we have included contractor and/or NITAAC's responsibilities in order to provide a more complete description of the process.

The ECS III contracts were awarded under the Federal Acquisition Streamlining Act of 1994 and the Clinger-Cohen Act of 1996, both of which require that the contractors be given a Fair Opportunity to be Considered (FOC) for DO awards. The contracts are structured as Indefinite Delivery/Indefinite Quantity (ID/IQ) contracts, using DOs for acquisition of specified Commercial-Off-The-Shelf (COTS) IT supplies and services. These contracts are available to the NIH as well as to any Federal Government Agency. Procedures for contract use are detailed in these *Guidelines*.

Questions about the *Guidelines* and all correspondence and official deliverables related to DO establishment and administration should be directed to the Contract Team listed below; questions relating to financial matters should be directed to the Financial Team at the address below.

Contract Team	***Financial Team***
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You may also contact NITAAC via the following:

ECS III E-mail: ***ECSIII@OD.NIH.GOV***

Website: **http://nitaac.nih.gov/**

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1 GENERAL INFORMATION ON THE ECS III CONTRACT

1.1 OVERVIEW

NITAAC's ECS III contracts provide the NIH and other Federal Government Agencies with a full range of commercial-off-the-shelf (COTS) hardware, laptops, peripherals, telecommunications equipment related to telephony, research workstations), software (including operating systems), and related warranty, maintenance, and support services. Each contractor maintains and manages their own Electronic Commodities Store website that furnishes a representation of its products and services.

There are 65 prime contractors available on ECS III to meet customer IT needs. The full list of prime contractors and their web sites is provided at the official NIH NITAAC web site at **http://nitaac.nih.gov/**.

The ECS III contract vehicle is well on its way to becoming a totally Internet-based ordering and tracking system, providing customers with an integrated electronic operation for efficiency and total streamlining of the procurement process. Look to these *Guidelines* for updates and implementation of this system as it evolves.

All ECS III contracts have the same Statement of Work (SOW). However, each contractor has utilized price tables for up to six Government-defined Lots in their contract to define the hardware, software, peripherals, warranty, maintenance, and support services it offers through its electronic catalog. The six ECS III Lots are as follows:

- Lot 1: COTS desktop, laptop and handheld computing devices (including peripherals), workstations, software, and networking equipment
- Lot 2: Commercial telecommunications equipment items related to telephony (including, but not limited to network routers, switches, repeaters, and cabling)
- Lot 3: Scientific research workstations, and other electronic devices and systems
- Lot 4: Software (including operating systems)
- Lot 5: Related warranty and maintenance services
- Lot 6: Support services that provide direct support to the Lot 1-5 products/services that are being (or have been) acquired under ECS III.

The prime contractors to whom ECS III contracts have been awarded demonstrated track records for expeditiously delivering up-to-the-minute, state-of-the-art commercial hardware, software, peripherals, warranty, maintenance, and support services to a large number of geographically dispersed customers. The contractors have also demonstrated the ability to provide a range of quality hardware, software and service products and have proven procedures for rapid replacement of defective products with minimum paperwork from the customer.

While some ECS III contractors may be familiar to the NIH community, as well as to external customers, others are new to this contract vehicle. Customers are encouraged to learn about as many contractors as possible, speak to contractor representatives, and test contractor equipment. The small businesses and small disadvantaged businesses, collectively, have distinguished reputations for service and responsiveness which may well offset the advantages that large businesses may offer in terms of broad inventories and economy of scale. Only by customer support of all contractors can the ECS III contract continue to have the advantage of such a broad-based capability for IT purchases.

1.2 CONTRACT STRUCTURE

ECS III contracts are structured as Indefinite Delivery/Indefinite Quantity (ID/IQ) contracts utilizing Fixed Price (FP) DOs. The contract period is ten years, from November 27, 2002, through November 26, 2012.

For the purposes of the ECS III contracts and these Guidelines, DOs include Records of Call (NIH only), purchase card orders, and DOs on agency-specific forms.

1.3 NIH PROCESSING FEE

All customers external to NIH are assessed a processing fee of 1% of the obligated DO amount. The fee is paid through the contractor via a separate FP line item appearing on the first page of the DO. If there is a modification to the DO that adds additional funds, the NIH 1% processing fee (of the obligated amount of the modification) must be added as a separate line item in the modification.

NIH internal customers are charged a fee in accordance with the payment mechanism used. This fee is already calculated in the Service & Supply Fund charges.

See Sections 4, *NIH Processing Fee Guidance* and 5.3.2, *Addition of Funds* for further details. Customers can also contact the Financial Team at the address in the **Foreword** for particular questions on the fee.

1.4 MINIMUM AND MAXIMUM DELIVERY ORDER AMOUNT

NITAAC has established minimum and maximum dollar amounts for new DOs.

Minimum Orders: Contractors are not required to fill DOs for less than $100.00.

Maximum Orders: Consistent with the terms of the Federal Acquisition Regulations (FAR) at 52.216-19, Order Limitation, the contractor is not obligated to honor:

a. Any order for a single item in excess of $20 million

b. Any order for a combination of items in excess of $30 million

c. A series of orders from the same customer within two business days that together call for quantities exceeding (a) or (b) above

1.5 MINIMUM AND MAXIMUM CONTRACT (PROGRAM) VALUES

The maximum program amount established by NITAAC for ECS III is $600 million a year for ten years for a total of $6 billion during the ten-year contract period of performance. This represents an aggregate amount to be expended under all 65 contracts.

1.6 CLASSIFIED MATERIAL

All DO packages must be unclassified, regardless of the classification of the work to be performed within the DO.

1.7 FISCAL YEAR CUTOFF DATES

DOs that must be awarded by the end of the current fiscal year (i.e., packages that are supported by funds that expire at the end of the current fiscal year) may be initiated in the ECS III Internet-based ordering system through September 28th of the current fiscal year, unless the customer's agency rules dictate a cut-off date different than September 30th. Requests for Quotes for orders that require special handling should be placed by September 24th to allow time for review and approval by the ECS III Contracting Officer (CO).

1.8 SUPPORTING DOCUMENTATION SUBMISSION

The preferred channel for delivery of all correspondence is e-mail to ecsiii@od.nih.gov. Delivery orders and funding documentation may be faxed or mailed to the Financial Team.

Microsoft Word is the preferred format for all text documents. If Word cannot be used, the preferred format is Corel WordPerfect or, if necessary, ASCII. Spreadsheets should be submitted in MS-Excel, Comma Separated Values (CSV), or Lotus 123 formats.

1.9 SAMPLE DOCUMENTS AND FORMS

Appendix B provides links to security documentation designed specifically for Department of Health and Human Services (DHHS) customers.

The Past Performance Evaluation Report (MS Word) is also provided in Appendix B. In the future, the Performance Evaluation form will be provided on the NITAAC web site (http://nitaac.nih.gov/) for on-line entry of the appropriate data, thereby minimizing e-mail and fax requirements.

2 CHARTING THE DELIVERY ORDER PROCESS

Figure 1, on the following page, charts the process flow for DO issuance from initiation of the requirement through DO performance and closeout, mapping each step to the party primarily responsible for completing it (customer, prime contractor, or NITAAC). A detailed description of the delivery order process activities occurring from requirements definition through contractor fulfillment of the order can be found in this section. Delivery order oversight and management through closeout are addressed in Section 5, *Contract And Delivery Order Oversight And Management*.

ECS III has an on-line ordering system that supports the customer from the definition of requirements for the Request for Quote (RFQ), through the award of an order to a contractor, and creation of related, official file documentation. It is called the ECS III Quoting System. Our *Quick Start Overview for the ECS III Quoting System* is listed immediately following Figure 1. It contains an outline of the steps used to order on-line from ECS III.

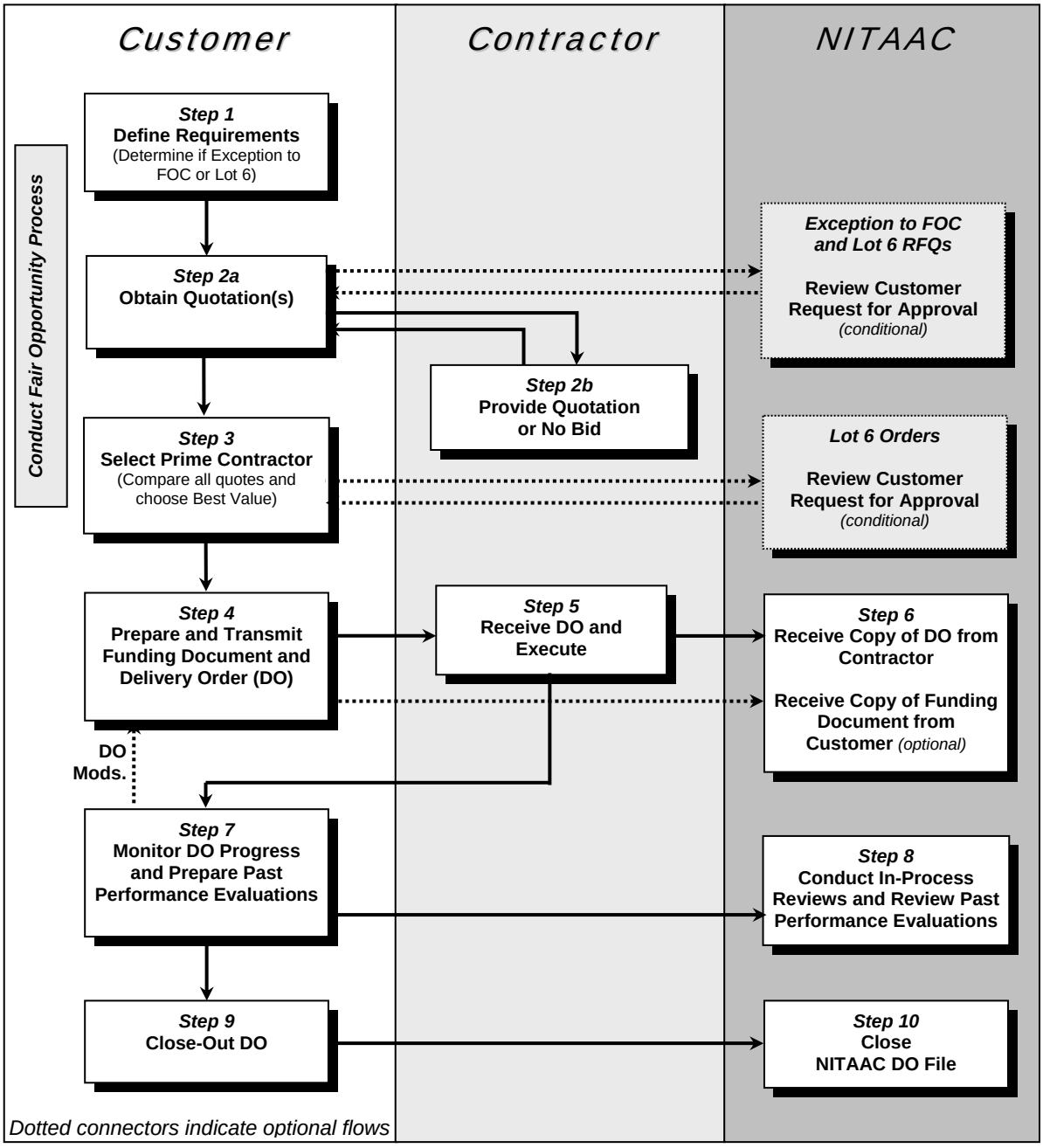

Figure 1. The ECS III Delivery Order Process

QUICK START OVERVIEW FOR THE ECS III QUOTING SYSTEM

NITAAC's ECS III on-line ordering process is designed to give the end user more control over the decision making process, while promoting competition between contractors and simplifying the best value determination process. Immediately after this *Quick Start Overview for the ECS III Quoting System*, is a more detailed look at the five steps that make up the delivery order process from the initiation of the requirement through award. It also explains how the ECS III Quoting System supports the process. The

following ten easy steps outline the on-line ordering process for a basic order using the ECS III Quoting System.

1. Enter the NITAAC ECS III Login page at http://nitaac.nih.gov/prelogin.asp?Contype=ECS3.
2. To register, click *Federal Customers Instant Registration.* A password will be e-mailed within 24 hours. (New users only have to register one time!)
3. Registered customers log in by clicking *Login to G-Commerce* and entering their user name and password.
4. To create an RFQ, click the RFQ (Pull Down Menu) and select *Create New RFQ*. On the first page, check the Lot(s) describing the type of items being purchased. If the RFQ requires an Exception to FOC, check that box and select the type of exception and your selected contractor. Finally, click the *Continue* button.
5. On the second page, enter a Closing Date and Subject line to appear on the e-mail notification sent to the contractors. If you already have a prepared list of items in a separate file, you can attach that file next. If you are not attaching a file, enter the list of items you wish to purchase, THEN, click the *Submit RFQ* button. You will be given a *RFQ Number* by the system.
6. Customers are notified via e-mail of contractor responses. To review quotes, log into the web site using the password that was assigned to you.
7. After logging in, the *RFQ Status* screen will be displayed. All open RFQs and the number of responses received for each one will be shown. Click your *RFQ Number* to review and print a Best Value Report.
8. Before making the final selection, print out the quotes received for your purchasing file. To select the winning contractor, click the *Vendor Quote Details* link for the selected quote, and click the red *Convert To Order* button.
9. To place the order, customers provide their own contract shops with a requisition containing the RFQ number, the NITAAC Delivery Order Authorization Number (assigned when the *Convert To Order* button is clicked), and printed quotes.
10. Your contract shop faxes a copy of the Order to the winning contractor.

STEP 1 - CUSTOMER DEFINES REQUIREMENTS AND RESEARCHES ECS III CONTRACTOR CATALOGS

The customer, in accordance with the FAR and agency procedures, defines his/her requirements. When security is applicable, Department of Health and Human Services (DHHS) customers need to prepare a Delivery Order Security Attachment (as described in the *Customer Responsibilities For Security* section below). Customers from other agencies should prepare their security documentation in accordance with their agency's security policies and guidelines. The requirements defined by the customer must fall within the scope of the COTS items and related services that are described in Appendix D, Figure 2, Key Elements of the ECS III Statement of Work. The customer is also responsible for considering Federal employees with disabilities when procuring electronic and information technology.

Additionally, the customer is responsible for performing market research by reviewing the websites of ECS III contractors that offer the applicable product Lot(s) and other sources. This includes reviewing any ECS III contractor catalogs. The ECS III "Prime Contractor" list on the NITAAC website is located at (http://nitaac.nih.gov/ECS3PrimeContractorListing.asp) and indicates which Lots(s) each contractor offers and gives a URL for each contractor's website. It is during this requirements definition process that the customer determines if an exception to fair opportunity to consider, FAR 16.505(b)(2), exists.

➢ **Customer Responsibilities For Security**

Security-specific actions required for DHHS delivery orders are described where they are applicable in the delivery order process step sections of this document. *Customers from other agencies should prepare task orders in accordance with their agencies' security policies and guidelines.*

When defining requirements, the ECS III Delivery Order Security Attachment must also be prepared if the delivery order involves:

- Contractor access to, or development of, a Federal Automated Information System (AIS), or
- Contractor access to sensitive information/data.

The general applicability of the security attachment is summarized by Lot in the table that follows. Further guidance is provided within the security attachment, which can be found on the NITAAC website at http://nitaac.nih.gov/downloads/ecs3/DO_Security_Attachment.doc.

Table 1. Applicability of the Delivery Order Security Attachment by Lot

Lots	Applicability of Security Attachment
1. COTS desktop, laptop and handheld computing devices, workstations, software, and networking equipment	Not likely, as Lots 1 -4 generally do not involve contractor access to an AIS or to sensitive information
2. Commercial telecommunications equipment items related to telephony	
3. Scientific research workstations, and other electronic devices and systems	
4. Software (including operating systems)	
5. Related warranty and maintenance services	Likely, as Lots 5 and 6 may involve software or system installation, on-site maintenance or support, etc.
6. Support services that directly support Lots 1-5 products/services	

Preparation of the Delivery Order Security Attachment includes having the Project Officer and Information Systems Security Officer (ISSO) sign the Solicitation Certification contained in Section 4.1 of the Delivery Order Security Attachment.

➢ **Customer Responsibilities For Electronic and Information Technology Accessibility Standards (36 Code of Federal Regulations (CFR) Part 1194)**

When Federal departments or agencies develop, procure, maintain, or use Electronic and Information Technology (EIT), Section 508 of the Rehabilitation Act of 1973 is applicable. It requires that Federal agencies ensure that their EIT allows Federal employees with disabilities to have access to and use of information and data that are comparable to the access and use by Federal employees without disabilities. Section 508 similarly requires that members of the public with disabilities, who are seeking information or services from a Federal agency, have access to and use of information and data that are comparable to that provided to members of the public without disabilities.

Comparable access is not required if it would impose an undue burden on the agency. An *undue burden* here means a significant difficulty or expense. Agencies are required by statute to document the basis for

an undue burden. Requiring officials should be aware that when there is an undue burden, the statute requires an alternative means of access to be provided to individuals with disabilities.

When defining requirements, the customer should determine whether or not Section 508 of the Rehabilitation Act of 1973 must be implemented. See Appendix C for additional guidance on Section 508 and some sample statements.

STEP 2a – CUSTOMER OBTAINS QUOTATIONS

To request and obtain quotes, the customer enters the requirements identified in Step 1 into NITAAC's ECS III Quoting System (G-Commerce). The contractors, in turn, respond to the RFQ by entering their quotes or a "No Bid" into the ECS III Quoting System. A user manual and help pages that provide instruction on preparing and issuing RFQs are available while logged on to the ECS III Quoting System. **Please note that, in the near future, use of the NITAAC ECS III Quoting System will be mandated.**

➢ Accessing the ECS III Quoting System

The ECS III Quoting System can be accessed by clicking on the "ECS III" in the orange colored bar on the NITAAC website (http://nitaac.nih.gov) and then on the "ECS III Quoting System" link on the left of the ECS III main page. Additionally, the ECS III Quoting System can be accessed by entering the following directly into your web browser, http://nitaac.nih.gov/prelogin.asp?Contype=ECS3. Customers and contractors can register to use the system at this site by clicking on *Federal Customers Instant Registration*. Within 24 hours the NITAAC administrator will approve the registration and send an e-mail containing a user name and password for logging into the system.

➢ Creating the RFQ

Once logged into the ECS III Quoting System, the customer prepares the RFQ by first selecting the Lot, or Lots, that their requirement falls into. Appendix D, Figure 2, Key Elements of the ECS III Statement of Work, will assist customers in identifying the appropriate Lot(s) for their requirement. Next, the customer enters his/her requirement information and attaches any additional document desired to further explain the requirement, such as, any detailed requirement specification or Security Attachment. If multiple documents need to be attached, they must be put into a zip file. Lastly, the customer submits the RFQ to the system.

DHHS Customers: **If a Delivery Order Security Attachment was required and prepared in Step 1, attach the Delivery Order Security Attachment to your RFQ.**

➢ The System Distributes the RFQ

Once the customer submits the RFQ, the ECS III Quoting System automatically disseminates it to all the ECS III contractors who can provide the requested product. This process helps to ensure that all contractors providing applicable products and/or services have a fair opportunity to be considered.

➢ Exceptions to Fair Opportunity to be Considered

If the customer determined during the requirements definition process that one of the exceptions at FAR 16.505(b)(2) applies, **the customer must submit a justification for the FOC exception to the NITAAC CO for approval before issuing the RFQ. The rationale for the exception must be fully documented and signed by the Agency CO or other designated agency official appointed in accordance with agency regulations.** (For NIH customers, the Approving Official is the Accountable Management Official (AMO). This documentation is to remain in the customer's official DO file and **must be provided upon request to the ECS III CO.**

The ECS III Quoting System allows the customer to submit a RFQ to the NITAAC CO with an exception to FOC rationale and a proposed ECS III contractor. An e-mail notification advises the customer whether the CO has approved the justification, rejected it, or needs more information. If the exception is approved by the NITAAC CO, the RFQ will be automatically issued to the customer's proposed contractor.

- **Lot 6 RFQs**

When placing a RFQ that includes ECS III Lot 6 support services, the customer must describe in the requirements how the Lot 6 item provides direct support to the Lot 1-5 products/services that are being (or have been) acquired under ECS III. If the Lot 1-5 product/service was purchased on a previous order, the customer must also enter the Delivery Order Authorization Number of the prior order. **All Lot 6 RFQs and orders must be approved by the ECS III CO.** The ECS III Quoting System walks the customer through the process and notifies the customer via e-mail when the RFQ has been approved. Once the RFQ is approved, the ECS III Quoting System automatically releases the RFQ to the qualified contractors.

STEP 2b – CONTRACTOR PROVIDES QUOTATION

The contractor reviews open RFQs through the system and responds with a price quote or a "no bid." In the price quote, the contractor must include the Contract Line Item Number (CLIN) for each item the contractor wishes to bid on. The customer is notified via e-mail of waiting responses, which can be viewed by logging into the system. Only three e-mails for each RFQ placed are sent to the customer, instead of one for every contractor response. This helps to prevent the customer's mailbox from being flooded with e-mails from the ECS III Quoting System. These e-mails include summary data from the RFQ response(s). The first e-mail is sent when a customer receives the first contractor's response. The second e-mail is sent after the close of business two days before the RFQ closes. The third e-mail is sent after the close of business on the day the RFQ closes, with a notice that customers can now make their best value decision. A link back to the ECS III Quoting System is provided within the e-mails to allow customers easier access to review the details of the responses.

If a Delivery Order Security Attachment is received, the contractor will provide a quotation that fully responds to the requirements identified in the Delivery Order Security Attachment. Any quote submitted to a customer under ECS III will only be submitted by the ECS III prime contractor, not by an affiliate of the prime contractor (e.g., business partner, subsidiary or subcontractor).

STEP 3 – CUSTOMER SELECTS PRIME CONTRACTOR

To make an award, the customer reviews the on-line quotes in the ECS III Quoting System, performs the FOC process, and makes a best value determination. Each contractor is required to provide a website that supports ordering through the ECS III contract vehicle. A link to the ECS III contractor list titled *Prime Contractors* exists on the ECS III home page under *ECS III Contacts* for the customer's convenience. The URL of the link is http://nitaac.nih.gov/ECS3PrimeContractorListing.asp. Once a best value decision has been made, the customer selects the contractor quote in the ECS III Quoting System that he/she wants to award with a delivery order. The ECS III Quoting System supports documentation requirements by allowing the customer to print quotes, a best value report, and any exception justification that may be applicable. The customer has a responsibility to keep this documentation in their official delivery order file. NITAAC conducts spot audits of customer files to ensure compliance with the ECS III DO guidelines, the ECS III contract, and the FAR. The ECS III Quoting System automatically assigns the order a NITAAC Delivery Order Authorization Number, which needs to be noted on the delivery order (see *The NITAAC Delivery Order Authorization Number* section under Step 4).

DHHS Customers: **If a Delivery Order Security Attachment was required and prepared in Step 1, have the Project Officer and ISSO review contractor quotations for compliance with the HHS Information Security Program (ISP) prior to award.**

- **Fair Opportunity To Be Considered Process**

The requirements of the FOC process will be deemed to have been met if the customer compares the various products and services offered on the contractors' quotes and in their electronic catalogs and documents the results of the comparison in the official DO file. ECS III contractors' quotes and catalogs must be compared, taking into account contractors' past performance histories, delivery schedules, prices, and other factors pertinent to the particular DO.

- **Evaluating The Quote For Best Value**

DOs placed against this contract utilize the "**best value**" approach to determining the DO awardee. This means that low price is not the only criteria to be considered in source selection. As a part of his/her determination of best value, the customer may choose to review the delivery terms that each ECS III contractor offers on the required IT product/service and may attempt to negotiate delivery schedules with the offering contractors. Additional criteria, such as the quality of products or services and past performance, may be key factors in determining which contractor offers the best value to the Government. (See FAR 15.1, Source Selection Processes and Techniques, for additional information.)

FAR 15.304 details the evaluation factors and significant subfactors that apply to acquisition and their relative importance. Price or cost to the Government must be evaluated in every source selection. Additionally, the quality of the product or service must be addressed in every source selection through consideration of one or more non-cost evaluation factors such as past performance, compliance with solicitation requirements, technical excellence, management capability, personnel qualifications, prior experience, and delivery schedule. Also, past performance must be evaluated in all source selections for negotiated competitive acquisitions expected to exceed $1,000,000 unless the contracting officer documents the reason past performance is not an appropriate evaluation factor for the acquisition.

The solicitation record must, at a minimum, state the evaluation factors and significant subfactors that will affect contract award and their relative importance. If cost or price is not the primary factor for award, the solicitation record must state whether all evaluation factors other than cost or price, when combined, are:

(1) Significantly more important than cost or price;
(2) Approximately equal to cost or price; or
(3) Significantly less important than cost or price.

The ECS III Quoting System provides a Best Value Report based on cost for the customer's official delivery order file. By listing each contractor's quoted dollar amount and contact information for each quote, the Best Value Reports helps the customer to easily compare costs and contact the contractor with evaluation inquiries. The System also allows the customer to print contractor quotes as documentation of the evaluation process. Based on the customer's written best value analysis and documentation in the official delivery order file, the customer selects a contractor quote in the system.

- **Selecting The Contractor In The ECS III Quoting System**

When a contractor is awarded with an order in the ECS III Quoting System, the system assigns the NITAAC Delivery Order Authorization Number, which is promptly e-mailed to the customer and the contractor. For most RFQs, this occurs when the customer selects the contractor quote details in the ECS III Quoting System and clicks on the *Convert to Order* button.

When awarding an order that includes ECS III Lot 6 support services, the customer must obtain ECS III CO approval through the ECS III Quoting System. The ECS III Quoting System walks the customer through the Lot 6 process and automatically notifies both the customer and the selected contractor via e-mail when the order has been approved.

DHHS Customers: **If a Delivery Order Security Attachment was required and prepared in Step 1, finalize contractor position sensitivity designations identified in Section 3.b of the Delivery Order Security Attachment for the selected quotation. Then have the Project Officer and ISSO sign the Pre-Award Certification, contained in Section 4.2 of the Delivery Order Security Attachment.**

➢ Prerequisites For Placing The Order

The delivery order may be placed after the following are completed:

- The official agency DO file has been documented with the best value determination.
- Orders involving Lot 6 have been approved by the ECS III CO (see *Selecting The Contractor In The ECS III Quoting System*, above).
- Orders involving an Exception to FOC have been approved by the ECS III CO (see *Exceptions to Fair Opportunity to be Considered*, above under Step 2a).
- Security requirements, if applicable, are documented and certified (see *Customer Responsibilities For Security* in Step 1, above).
- The prime contractor is selected and the designated agency official, (i.e., AMO), has signed/approved the order.

STEP 4 – CUSTOMER PREPARES AND TRANSMITS FUNDING DOCUMENT AND DELIVERY ORDER

Once the customer has selected the contractor quote that he/she wants to award with a delivery order and has received a NITAAC Delivery Order Authorization Number from the ECS III Quoting System, the customer prepares the appropriate documentation. The customer's agency determines the proper forms on which to place the order and to initiate funding. The ECS III Quoting System also provides some commonly used agency order forms for convenient printing of the delivery order. The customer faxes a copy of the DO and the funding document to the DO Awardee. Customers are also encouraged to fax a copy of the DO and the funding document to the ECS III Financial Team. The following subsections give guidance on the details of placing the order.

➢ The NITAAC Delivery Order Authorization Number

The customer must obtain a NITAAC Delivery Order Authorization Number from the ECS III Quoting System for each DO placed. When the customer awards a contractor with an order in the ECS III Quoting System, the system assigns the NITAAC Delivery Order Authorization Number, which is promptly e-mailed to the customer and the contractor. **The NITAAC Delivery Order Authorization Number must appear on the customer DO documentation.**

➢ Completing The Appropriate Form

The customer's agency determines the proper form on which to place the order. The ECS III Quoting System provides the ability to print three commonly used order forms for customer convenience: SF1449, GSA300, and DD1155. For NIH customers, the purchase card, purchase order, or Record of Call method must be used. The best value analysis and written documentation is forwarded through NIH approval channels for placement of the DO. The approved order in the Administrative Database serves as the official record. If this is an external (i.e., non-NIH) customer, the first page of the DO must include a

subtotal of the Contract Items being purchased, cite the NIH 1% processing fee as a separate firm-fixed-price line item, and provide a grand total (including the fee). (See Section 4, *NIH Processing Fee Guidance* for further detail on the NIH processing fee for external customers.) . External customers must follow their agency's procedures for placement of the DO and the Agency CO or other designated agency official who is authorized to obligate or expend Government funds (i.e., AMO) must sign/approve each DO.

Once created, the customer gives the requisition with the NITAAC Delivery Order Authorization Number and printed quotes to his/her own Contract Shop for order placement. The customer's contracting office then sends the order to the DO awardee. The DO awardee cannot process an order without an NITAAC Delivery Order Authorization Number. Customers must go through the NITAAC ECS III Quoting System on the NITAAC website to obtain a NITAAC Delivery Order Authorization Number.

- **Order Completeness Checklist**

All orders must include the following information:

- ☑ NITAAC Delivery Order Authorization Number
- ☑ Contractor Name
- ☑ NITAAC Contract Number
- ☑ The customer's order number
- ☑ If the customer is external to NIH, a subtotal of the order, a separate line item for the NIH 1% processing fee, properly calculated, and a grand total
- ☑ Order date
- ☑ Points of contact for DO issues and billing (e-mail address and phone number included)
- ☑ CLIN numbers(s) for the item(s) ordered with description(s)
- ☑ Amount of funds obligated for each CLIN and for total obligation
- ☑ Appropriation/funding Citation
- ☑ Billing address and delivery address
- ☑ Signature of the AMO, i.e., CO. For the NIH customers, the AMO must print and review the Record of Call.

STEP 5 - CONTRACTOR RECEIVES ORDER AND EXECUTES

- **Receiving Deliver Orders**

Upon receipt of a DO, the contractor shall review the order to determine if it is proper. A proper order must include all of the elements listed in the *Order Completeness Checklist* in Step 4 above. In the near future, no ECS III delivery order shall be awarded without the customer and contractor first going through the electronic Request for Quote process using the ECS III Quoting System.

Critical to this contractor review is the verification that the customer has recorded the NITAAC Delivery Order Authorization Number and listed the specific CLINs on the order. The contractor cannot accept any

DO from the customer that does not have a NITAAC Delivery Order Authorization Number nor can the contractor accept any DO from the customer that does not list the specific CLINs.

- **Lot 6 Order Responsibilities**

Special Contractor Responsibilities for Orders Including Lot 6 Support Services:

Prior to performing under a delivery order that includes ECS III Lot 6 support services, the contractor must ensure that (1) the requirements provide direct support to Lot 1-5 products/services that are being (or have been) acquired under ECS III, and (2) the delivery order includes an adequate description of the support services to be performed, including any required Information Technology systems security requirements. All Lot 6 orders must be approved by the ECS III CO.

- **Order Completeness And Correctness**

If any item in the *Order Completeness Checklist* from Step 4, does not appear or is incorrect on the DO, or if the NIH 1% processing fee or order amount is incorrectly calculated, the contractor must notify the customer that the DO must be modified to include the correct or missing information and resubmitted. The contractor may not accept an incomplete or incorrect DO.

- **Reporting To The ECS III Financial Team**

The Contractor must provide the ECS III Financial Team a copy of each order along with its bi-weekly sales report submitted in accordance with Section II, Article G.5 of its contract. The contractor must send a copy of the DOs along with the bi-weekly sales report to the ECS III Financial Team. Mail and fax addresses are provided in the Foreword. The Contractor shall clearly identify all DO modifications with the original ECS III Delivery Order Authorization Number and the suffix (e.g., .01, .02, .03, etc.) that corresponds to the next sequential modification.

3 ADDITIONAL CONTRACTOR RESPONSIBILITIES

This section describes additional responsibilities of the contractor that were not described in Section 2, Steps 1 through 5 of these Guidelines. If the contractor does not comply with these requirements, it may be subject to a moratorium of its contract during which time it may not accept or fill any DOs.

3.1 CONTRACTOR E-MAIL AND CONTACT INFORMATION

3.1.1 General Company E-mail Address

Each ECS III contractor shall establish a single, general, company e-mail address that will accept e-mail from the NITAAC ECS III Quoting System. The ECS III Quoting System will only disseminate customer RFQs to this company e-mail address. The use of a single, general, company e-mail address will reduce maintenance of the ECS III Quoting System e-mail list and minimize the number of e-mail "undeliverable" returns due to contractor staffing changes.

3.1.2 Company Information Changes

Each ECS III contractor must inform the ECS III CO by letter or fax on official stationery of any changes to the contractor's company name, address, phone number, points of contact, or company e-mail address.

3.2 CONTRACTOR RESPONSIBILITIES FOR SECURITY

If awarded the order, the contractor must comply with all of the conditions stipulated in the Delivery Order Security Attachment. A Delivery Order Security Attachment may stipulate that contractor employees a) complete security training, b) undergo background investigations, and c) execute non-disclosure agreements prior to starting work. It may also require the contractor to protect Federal automated information systems, and to submit a system security plan.

3.3 PROTESTS

No protests are authorized in connection with the issuance or proposed issuance of a DO, except for a protest on the grounds that the order increases the scope, period, or maximum value of the contract. However, under FAR 16.505(b)(4), prime contractors may contact the customer-designated contract ombudsman with complaints on specific DOs on this contract. The ombudsman will review all complaints and ensure that all contractors are offered a fair opportunity to be considered, consistent with regulation, this contract, and these Guidelines. The designated NIH ombudsman for this contract is:

Associate Director, Office of Intramural Affairs and
NIH Competition Advocate for Station Support
Building 1, Room 140
9000 Rockville Pike, Bethesda, MD 20892

3.4 REQUESTING CLIN MODIFICATIONS

This section describes some of the contractor responsibilities for modifying the list of CLINs that a contractor is authorized to sell on the ECS III Contract. See the ECS III Contract for details regarding submission of proposals for modifying CLINs. Additionally, CLIN Submission Helpful Hints can be found on the contractor's main page after logging into the ECS III Quoting System. Each CLIN offered by a contractor must be within the scope of the ECS III contract terms and conditions. CLIN modifications proposed by an ECS III contractor must be approved by the NITAAC Team Leader (Sr. Contracting Officer) before it can be placed on the contract. This includes approval of any Enterprise License Agreement (ELA) that is associated with the CLIN.

3.4.1 Proposal Numbers

All contractor requests for modification of its list of ECS III contract CLINs must have a CLIN proposal submission date and a proposal number. The CLIN proposal number should start with the contractor's assigned prefix (designated in Attachment Number JA.2, NITAAC Proposal Number Prefixes, of the ECS III Contract Details, Mod 2) and a proposal sequence number. For example, the company name "Welcome Back Inc." with a contract number of "263-03-D-0342" would submit modification proposals with the numbers: WBI342-01, WBI342-02, WBI342-03, etc. If desired, contractors may also include their own proposal tracking number on the proposal.

3.4.2 Enterprise License Agreements

For ECS III contractors that have ELAs with NIH, proposals for the addition of new CLINs must identify when an Enterprise License Agreement (ELA) is being used. Each CLIN that is associated with an ELA(s) shall be clearly marked with the number of associated ELAs on the contractor request for new CLINs (Proposal Price Table). The contractor must complete an ELA Approval Form when requesting a new CLIN that is associated with an ELA. The ELA Approval Form will identify the CLIN it is associated with and list the ELA ID number, title, and manufacturer. When an ELA is applicable, the contractor must submit to the NITAAC Team Leader a copy of the ELA along with its request for the addition of a new CLIN.

4 NIH PROCESSING FEE GUIDANCE

4.1 NIH PROCESSING FEE PAYMENT METHOD (External Customers)

A one (1) percent fee will be assessed on the order amount for customer agencies other than NIH. The processing fee covers the cost of package processing, contract management, contract-wide recording, tracking, and monitoring, reporting and problem resolution. ECS III contracts require that the NIH 1% percent processing fee be paid on the first invoice based on the funding document/order. The fee is not subject to downward adjustment. The NIH 1% processing fee charged to external customers is to be paid as a separate FP line item on each DO. NITAAC has determined that the fee may only be paid via "Contractor Collection" as described below:

4.1.1 Contractor Collection

The customer agency must perform the following tasks when placing an order:

- Send the funding document/order, with the information listed in the *Order Completeness Checklist* (Step 4 of *Charting The Delivery Order Process* on page 11) to the contractor selected for award of the DO.
- Send a copy of the funding document/order to the Financial Team at the address provided in the **Foreword**.

The contractor will bill the customer for the NIH 1% processing fee for the entire order on the first invoice even if partial shipments are made. The customer must pay the fee at the time it pays the first invoice. The contractor must remit all fee payments to the NIH monthly, which should consist of all fee payments received from the customer during the previous month.

4.1.2 Modification Handling

Partial payments of the NIH 1% processing fee are not permitted. However, if a modification is processed that increases the order, the NIH 1% processing fee for the modified order can be billed separately from the original order. If the order is canceled before work commences by the contractor, the NIH processing fee will not be charged. The NIH 1% percent processing fee is not refundable. If the scope and price are reduced, the processing fee will not be reduced. Delivery order modifications resulting in additional monetary obligations are assessed the NIH 1% processing fee (of the additional obligated amount).

4.2 PROCEDURES UNIQUE TO NIH (Internal Customers)

Records of Call, Purchase Orders, and Purchase Card/Credit Card Orders. Since the NIH processing fee is associated with a Service and Supply Fund automatic charge, **NIH customers need only to send a copy of the order document that contains the ECS Delivery Order Authorization Number to the contractor and retain one copy** for their official files.

5 CONTRACT AND DELIVERY ORDER OVERSIGHT AND MANAGEMENT

NITAAC provides contract-level management and oversight of the program, while the customer performs the day-to-day management and oversight of the DO.

5.1 CONTRACT LEVEL MANAGEMENT

NITAAC tracks and guides contract performance over the life of the ECS III contract. Several methods and tools are used to assist this effort including coordinating with customer monitoring and evaluation efforts. These tools include the following:

5.1.1 In-Process Reviews (IPRs)

To evaluate the work accomplished and underway, NITAAC conducts an IPR for each contract annually. Issues encountered during DO execution (e.g., discrepancies between customer requirements and contractor performance, lack of information or guidance needed, discrepancies in contractor sales and check reporting, etc.), past performance evaluations, and the prime contractor's bi-weekly and monthly progress/check reports are also reviewed.

5.1.2 Bi-Weekly Sales Reports

Each ECS III contractor is required to use the ECS III Quoting System (G-Commerce) for Bi-Weekly Sales Reporting. Each contractor must submit a hard copy of the bi-weekly sales report with complete copies of each DO and DO Modification received. The bi-weekly sales report with copies of DOs and modifications is sent to the **ECS III Financial Team** at the address provided in the **Foreword**, while the report without copies of the DOs and/or modifications is sent to the ECS III CO at the address provided in the **Foreword**. For weeks with no sales activity, a report stating "**No Sales**" is required. A sample report format is included in the contract. The report includes all sales activities for the previous two weeks. The report must be received every other Friday by the **ECS III Financial Team** and the **ECS III CO**.

5.1.3 Monthly Check Report

The prime contractor shall provide the Monthly Check Report to the **ECS III Financial Team by the 10th of each month**. A sample report format is included in the contract. The check report provides detailed information on which DOs are being paid by each check. The monthly check report and the copy of the check may be mailed, faxed, or otherwise delivered to the **ECS III Financial Team**. As an attachment to the monthly check report, the prime contractor will send a copy of the check that was sent to the **NIH Office of Financial Management (OFM)** in accordance with Article G.5 of its contract. This check represents the sum of all fees received during the previous month. The address of the NIH OFM is the following:

NIH, OFM, Cashier's Office
Building 31, Room B1B23
31 Center Drive
Bethesda, Maryland 20892

5.1.4 ID/IQ Contract Files

NITAAC maintains the central file for each **ECS III contract**. The file contains the contract and all associated documentation, all contract modifications, correspondence, and past performance evaluation reports. The customer maintains the official DO file and associated documentation.

5.2 DELIVERY ORDER MANAGEMENT

5.2.1 Day-to-Day Monitoring

The customer provides "front-line" day-to-day monitoring of the DO during execution. The customer Contracting Officer Technical Representative (COTR) and AMO are responsible for monitoring and

assessing the contractor's DO performance using any subjective or objective measures available to assure timeliness and quality of deliverables. Subjective measures, which affect performance include cooperation, problem solving, problem avoidance, correct staffing levels, adopted efficiencies, effective use of office and communication tools, reporting, etc. The customer may use these measures to complete the past performance interim and final evaluation of the contractor's performance for each DO. These measures should not be confused with the requirements for performance metrics that define desired overall program performance.

Contract-level issues that arise during DO performance will be referred to NITAAC for resolution (e.g., need for contract modifications, contract disputes, contract terminations, etc.).

5.2.2 Acceptance of Deliverables

The customer's COTR is responsible for inspection and acceptance of DO deliverables. Rejected deliverables must be documented in writing to the contractor, with recitation of the requirement and factual statements of how the contractor failed to meet these requirements. The COTR and AMO should take rejection of deliverables into account when preparing past performance evaluations.

DHHS Customers: **If a Delivery Order Security Attachment was required and prepared in Step 1, after delivery order award, verify that contractor employees obtain security training and successful background investigations as specified in the Delivery Order Security Attachment. Also have contractor employees execute the *Commitment to Protect Non-Public Information Contractor Agreement* (see Appendix B) if required for execution of the work. That is, the order involves circumstances where the contractor will develop or have access to a Federal automated information systems or sensitive information/data.**

According to the DHHS ISP Personnel Security procedures, contractors cannot have access to sensitive IT systems until they have a favorably adjudicated background investigation or have been granted an interim clearance. Contractor employees shall comply with the DHHS criteria for the assigned position sensitivity designations prior to performing any work under this contract. See the Delivery Order Security Attachment for additional information.

5.2.3 Acceptance of Invoices

The customer is responsible for reviewing and accepting invoices submitted by the contractor for each DO. The customer must verify that all items invoiced were received. The customer should also ensure that this review and acceptance is documented in the DO file. Payment and disbursement are processed by the customer. This includes the NIH 1% processing fee.

5.2.4 Past Performance Evaluations

Standard past performance evaluations are used for all ECS III DOs over $100,000 to monitor and record overall performance of each contractor (See **Appendix B** for the sample Past Performance Evaluation form). This form must be used to evaluate overall contractor performance upon DO completion. If the DO extends beyond one year, an interim report is due annually until DO completion, at which time the final DO Past Performance Evaluation is due. The COTR completes the form, obtains concurrence from the AMO in writing, and forwards it to the contractor for comment. Contractor comments received by the customer within 30 calendar days will be considered in the final evaluation, and must be included in the evaluation form. Once contractor comments are incorporated, the form is forwarded by the customer to the ECS III CO, for entry into the NIH Contractor Performance System (CPS). **In order for the evaluation to be received on a timely basis,** the form must be forwarded to the ECS III CO no later than **60 days after the annual anniversary of the DO award** (if performance extends beyond one year), and no later than 60 days after DO completion.

The past performance information collected by NIH is available to all Government agencies through the Past Performance Information Retrieval System (PPIRS), and can be used as a source of information for evaluation of contractor past performance for future DO opportunities. Contractors can view their own information through PPIRS as well. For more information about the Past Performance Information Retrieval System (PPIRS), go to http://www.ppirs.gov. Additional information about NIH's past performance data collection system can be found at http://cps.od.nih.gov.

5.3 DELIVERY ORDER MODIFICATIONS

DO modifications are generally made to correct oversights or changes in conditions from the original DO. **DO modifications must cite the original Delivery Order Authorization Number assigned by the ECS III Quoting System.** The following procedure will apply to DO Modifications:

5.3.1 No Cost Modifications

No cost modifications will be processed directly by the customer without participation by NITAAC. However, a copy of the modification must be sent by the AMO to the ECS III Financial Team at the address provided in the **Foreword**.

5.3.2 Addition of Funds

Two copies of DO modifications that involve an addition of funds that were contemplated and described in the original DO (e.g., exercise of options) must be sent by the AMO to the ECS III Financial Team at the address provided in the **Foreword**. For external customers, the NIH 1% processing fee (of the amount obligated on the DO modification) must be added as a FP separate line item on the modification (i.e., the funding document/order) and a grand total, which includes the fee, provided.

5.3.3 Decrease of Funds

If there is a modification to the DO that decreases and/or offsets previous items, the NIH Processing Fee is not refunded or reduced.

5.3.4 Additional Items/Additional Time

Addition of items/time to a DO is prohibited. If more items must be ordered, a new DO must be generated using the ordering process cited in these *Guidelines*. If additional time is necessary for the contractor to deliver the items/services required by the DO, a DO Modification must be negotiated, with consideration provided to the Government, if the AMO so determines, and two copies of the DO modification must be submitted to the ECS III Financial Team.

5.4 DELIVERY ORDER MODIFICATIONS-CONTRACTOR RESPONSIBILITIES

5.4.1 Upon receipt of a DO Modification, the contractor must assign a DO Modification Number to it, first citing the original ECS III Delivery Order Authorization Number given to that order and then adding the proper suffix (e.g., **.01**, **.02**, **.03**, etc.).

5.4.2 After validation of the accuracy of the modification, including the NIH 1% processing fee, if applicable, (see **Section 5.3,** *Delivery Order Modifications*), the contractor must send a copy of the DO Modification to the ECS III Financial Team at the address provided in the **Foreword**, with the bi-weekly sales report.

5.5 DELIVERY ORDER CLOSE OUT

When DO performance is complete, the COTR and the AMO sign the acceptance of the final product or completion statement, ensuring that all DO requirements were met; e.g., all deliverables were received on time and were tested/accepted, Government Furnished Equipment/Government Furnished Information (GFE/GFI) have been appropriately distributed, etc. The contractor submits the final invoice to the COTR and AMO. The final invoice must include a statement that it is the final invoice and that all costs have been accounted for and billed. The contractor should forward a copy of the final invoice to the ECS III Finance Team when the DO has been completed.

APPENDIX A: GLOSSARY

The definitions in this section reflect NITAAC's interpretation of terms and concepts used in the ECS III *Guidelines*.

Accountable Management Official (AMO) - The individual within the customer's organization (whether NIH or other Federal agency), who is authorized to obligate or expend Government funds. This individual has the authority to bind the Government to the extent of the authority delegated to him/her. The dollar threshold set forth in the individual's delegation may not be exceeded. The AMO is typically a CO, if the customer chooses to issue orders locally (i.e., through his/her own agency channels). **Only when a local CO is not available**, the AMO may be a project official who has been authorized by his/her agency to direct the transfer of funds to the designated contracting office.

Best Value Analysis -The analysis of technical and cost proposals, in accordance with FAR Part 15.101, to determine which proposal offers the "greatest overall benefit in response to the requirement" (FAR 2.101).

ECS III Delivery Order (DO) Authorization Number - The ECS III Quoting System assigns Delivery Order Authorization Numbers for each contractor quote that the customer awards with a DO. All DOs sent to the **ECS III** Financial Team must contain the **ECS III** Delivery Order Authorization Number. If a DO modification is received, a suffix (e.g., **.01**, **.02**, **.03**, etc.) is assigned to the original **ECS III** Delivery Order Authorization Number and is placed on the DO Modification furnished to the **ECS III** Financial Team. The contractor will not accept any orders which do not have a Delivery Order Authorization Number.

Contracting Officer – "A person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the contracting officer acting within the limits of their authority as delegated by the contracting officer." (FAR 2.101)

Contracting Officer Technical Representative (COTR) - The individual appointed by the AMO who serves as the principal point of contact between the customer, the DO prime contractor, and NITAAC. This individual provides technical direction to the DO prime contractor.

Contractor - One of the prime contractors holding an ECS III ID/IQ contract awarded by NITAAC. Only these contractors may receive ECS III DO awards from customers. While a contractor may have a subcontractor associated with this contract, the Government maintains a contractual relationship only with the prime contractor. The contractor is also referred to as the "vendor".

Contract Type: Fixed Price (FP) - A fixed price contract provides for a fixed price that is not subject to any adjustment on the basis of the prime contractor's cost experience in performing the contract. This contract type places maximum risk on the prime contractor. It also provides maximum incentives for the prime contractor to control costs and perform effectively.

Customer - This term includes personnel from NIH ordering activities and all other Federal agencies. The term "external customer" means any Federal Customer that is not a part of the NIH.

Delivery Order – A written, signed and dated document that orders the delivery products or services from an established ECS III contract, issued to a contractor by one who has authority and legal right to claim or order delivery of goods. Note: ECS III DOs require that there be an established price in the contract for the product or service. For example, a service such as installation or maintenance of a product purchased on the contract is sold for a set price, not at hourly rates.

Direct Support – Lot 6 support services performed by an ECS III contractor that are required for the implementation and/or continued operation of Lots 1-5 products/services that are being (or have been) acquired under ECS III.

Fair Opportunity to be Considered (FOC) - The contracting officer must provide each awardee a fair opportunity to be considered for each order exceeding $3,000 issued under multiple delivery-order contracts or multiple task-order contracts, unless one of the exceptions defined at FAR 16.505(b)(2) exists. All ECS III prime contractor teams (primes and their designated subcontractors) are considered to possess the basic qualifications for success in the IT areas (Lots) of the contract awarded to them. Therefore the statutory and regulatory requirement for FOC will be deemed to have been met when the customer makes timely notice to all contractors that are pre-qualified in the IT areas of the order by submitting Requests for Quotes through the ECS III Quoting System, reviews contractor quotes and catalogs per the instructions in **Section 2**, and properly documents his/her file as to the rationale for selection of the DO contractor. This procedure does not apply if one of the exceptions at FAR 16.505(b)(2) is applicable. See below for exceptions.

The exceptions to the fair opportunity process (selecting a single ECS III prime contractor for a specific DO) applicable to the ECS III contract are:

- The agency need for services is of such urgency that providing such opportunity would result in an unacceptable delay.
- Only one ECS III contractor is capable of providing the required products/services at the level of quality required because the products/services ordered are unique or highly specialized. (Consideration may be given to this exception when the contractor's products/services are proprietary.)
- The DO must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to a previous DO(s) issued under this contract, provided that "fair opportunity to be considered" rules were adhered to in the award of the original DO.

Funding Document/Order Number - This is the unique customer number identifying the Funding Document/Order. The Funding Document/Order must cite the ECS III Delivery Order Authorization Number, and where appropriate, include the proper processing fee as a separate FP line item.

NIH Processing Fee - This is the fee that NITAAC receives from external customers for processing a DO, or a DO modification to an award, and is intended to cover the costs associated with the solicitation, award, and administration of the ECS-III contracts.

APPENDIX B: LINKS TO DOCUMENTATION FOR ECS III DELIVERY ORDER PROCESSING

Past Performance Evaluation Report

Security-Specific documents for DHHS Customers:

ECS III Delivery Order Security Attachment

Prospective Offeror Non-Disclosure Agreement

Commitment to Protect Non-Public Information

APPENDIX C: GUIDANCE AND SAMPLE STATEMENTS FOR SECTION 508 COMPLIANCE

C.1 SECTION 508 COMPLIANCE

On April 25, 2001, the final rule for implementing Section 508 in the FAR was published. This regulation took effect on June 25, 2001, and for indefinite quantity contracts, it is applicable to delivery orders or task orders issued on or after this date. (See http://www.arnet.gov/far/FAC/fac97-27.pdf).

Section 508 requires the FAR to incorporate accessibility standards developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the "Access Board"). These regulations, known as the Electronic and Information Technology Accessibility Standards (36 Code of Federal Regulations (CFR) part 1194) are available at The Section 508 Standards Page or with discussion and alternate formats at http://www.access-board.gov/508.htm.

Besides incorporating the Access Board's EIT Accessibility Standards, the revisions to Part 39 of the FAR, in compliance with Section 508, include the following:

- The discussion of the term: "electronic and information technology" created by the statute
- A new Subpart 39.2 on Electronic and Information Technology

Acquisitions of EIT supplies and services must comply with the applicable EIT Accessibility Standards unless an exception in FAR 39.204 applies. (See http://www.arnet.gov/far/FAC/fac97-27.pdf). COs that award indefinite-quantity contracts must indicate to requiring and ordering activities which supplies and services their contractors indicate as compliant, and show where full details of compliance can be found.

Indefinite-quantity contracts may include noncompliant items, provided that any task or delivery order issued for noncompliant EIT meets an applicable exception or commercial non-availability consideration. Accordingly, requiring activities must ensure compliance with the EIT Accessibility Standards (at 36 CFR part 1194) or that an exception applies at time of issuance of task or delivery orders.

The rule recognizes that initially many products will not meet all the technical standards in 36 CRF part 1194. Nevertheless, agencies may need to acquire these products. Therefore:

1. When acquiring commercial items, an agency must comply with those accessibility standards that can be met with supplies and services that are available in the commercial marketplace in time to meet the agency's delivery requirements.

2. The requiring official must document in writing the non-availability, including a description of market research performed and the individual standards that cannot be met. The official must provide this documentation to the CO for inclusion in the contract file.

3. Partially conforming products must be considered. The most conforming one among them that satisfies the minimal government non-Sec. 508 specifications must be selected.

Small businesses will have to analyze whether the EIT they plan to sell to the Federal Government complies with the standards. Since the statute imposes private enforcement, whereby individuals with disabilities can file civil rights lawsuits, the Government has little flexibility for providing alternatives to this regulation. To meet the requirements of the law, small businesses are *not* exempt from any part of the rule**.** However, subcontractors are NOT subject to Sec. 508 except where they provide a product that will reach the Government or public for use.

The following sections contain sample text that addresses Section 508 of the Rehabilitation Act and can included, if applicable, by the customer in a statement of work (see D.2 Agency Sample), or by the contractor in a proposal response (see D.3 Contractor Sample).

C.2 AGENCY SAMPLE

Federal Government agency procurements must comply with Section 508 of the Rehabilitation Act of 1973. Refer to Section 1.11 for background information. A contracting agency may, if applicable, use the following sample statements in the Statement of Work to meet the requirements of Section 508 (Electronic and Information Technology Accessibility for Persons with Disabilities).

Section 508 Compliance Instructions

Section 508 of the Rehabilitation Act of 1973 requires that Federal agencies' electronic and information technology (EIT) is accessible to people with disabilities. The Federal Acquisition Regulations (FAR) Final Rule for Section 508 (EIT Accessibility) can be found at www.section508.gov and at the Access Board's Web site at http://www.access-board.gov/508.htm.

Unless it is an "undue burden" or compliant products or services do not exist, the products must conform to Section 508. The contractor should state that they will comply with the requirements of Section 508 or cite a justifiable reason for an exception. If any additional costs for compliance are anticipated, these should be identified. Also, if significant difficulty or expense is involved, a commercial non-availability is declared.

The contractor must ensure that all EIT products that are less than fully compliant are offered pursuant to extensive market research which ensures that they are the most compliant products and services available. For every EIT product that does not comply with 36 CFR Part 1194, the contractor shall on 30 days notice, make every effort to replace or upgrade it with a compliant equivalent product or service, if commercially available and cost neutral.

For existing systems, the contractor may not be able to identify all costs for compliance if the contractor did not develop that system, but should state that any development performed during the course of this DO will be compliant. If significant difficulty or expense is involved, a commercial non-availability is declared. Within 30 days of task award, the contractor should provide a plan for compliance for the system as a whole, including any costs associated with compliance.

Standards

The contractor shall comply with all required Federal or agency standards as specified in the individual DO.

The Federal Electronic and Information Technology Accessibility Standards (36 CFR 1194) are incorporated into and made a part of this contract. These standards are found in their entirety at The Section 508 Standards Page. A printed copy of the standards will be supplied upon request. The contractor must comply with the above referenced standards in performing this contract.

C.3 CONTRACTOR SAMPLE

The following is a sample 508 compliance statement that a contractor may include, if applicable, in response in a proposal.

(a) The contractor represents by signing this offer that the supplies and services offered in response to this solicitation, except for those identified in paragraph (b), comply fully with the Electronic and Information Technology Accessibility Standards at 36 CFR 1194. (See The Section 508 Standards Page). Each supply or service that will not be totally compliant at time of delivery or is only partially compliant is listed in paragraph (b).

(b) All noncompliant and partially compliant supplies or services are listed below. In addition, for each supply or service that is not in full compliance, or is partially compliant, a detailed discussion of which standards are satisfied and which standards are not satisfied by the offered supply or service is included. Also, any qualifications or conditions that might affect compliance with Section 508 of the proposed supplies or services are described. The list will be kept current during the period of performance.

APPENDIX D: KEY ELEMENTS OF THE ECS III STATEMENT OF WORK

Each contractor on the ECS III contract has setup and manages an Electronic Commodities Store III, (ECS III) that provides a variety of IT products to support the National Institutes of Health and other Federal Government agencies in accomplishing their mission. These products are divided into six Lots. When ordering, the customer's requirements must fall within the scope of the COTS items and related services described below.

Lot 1 offers the following six types of Commercial-Off-The-Shelf (COTS) products for fulfilling customer requirements.

A. Desktop Computing Devices

B. Laptop Computing Devices, including handheld computing devices *(PDAs, etc.)*

C. Peripherals, including handheld computing devices *(PDAs, etc.)*

D. Workstations

E. Software

F. Networking Equipment

Many of the items found in Lot 1 offer product packages that include installation.

Lot 2 offers commercial telecommunications equipment items related to telephony (including, but not limited to, network routers, switches, repeaters, and cabling).

Lot 3 offers scientific research workstations, and other electronic devices and systems.

Lot 4 offers software (including operating systems).

Lot 5 offers warranty and maintenance services that are related to the products in Lots 1 through 4.

Lot 6 offers related support services that provide direct support to Lots 1-5 products/services that are being (or have been) acquired under ECS III.

Lots 1 through 5 are intended to support the agency mission. However, Lot 6 is strictly intended to provide services that directly support the CLINs in Lots 1 through 5. When ordering, the customer must either have the Lot 1 – 5 item(s) that will be supported by the Lot 6 item on the same order, or the customer must identify the previous ECS III order number of the Lot 1 – 5 item(s) that will be supported by the Lot 6 item. The diagram on the following page depicts the relationship between the items offered in Lots 1 – 5 and the items offered in Lot 6.

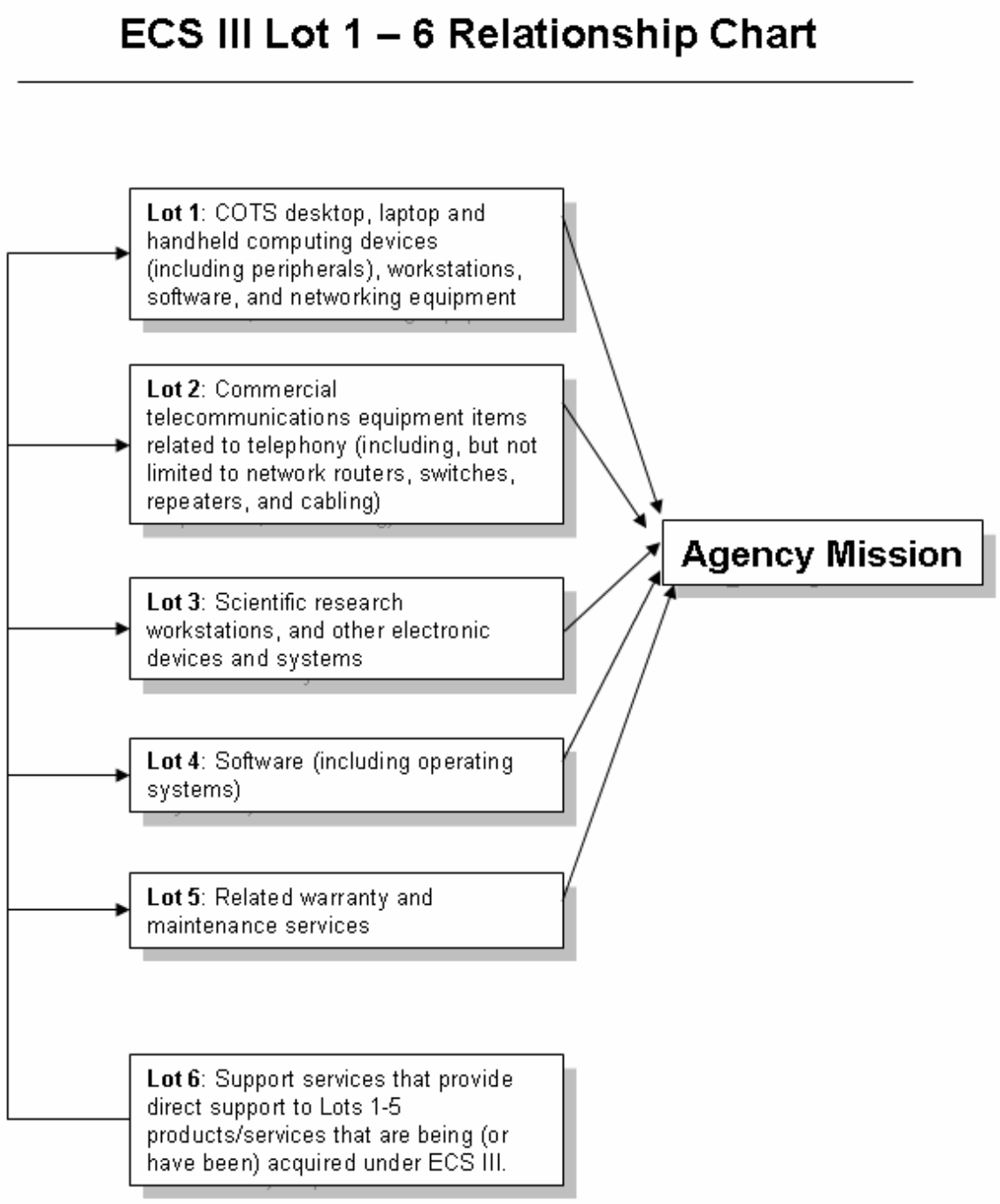
ECS III Lot 1 – 6 Relationship Chart
Lot 1: COTS desktop, laptop and handheld computing devices (including peripherals), workstations, software, and networking equipment
Lot 2: Commercial telecommunications equipment items related to telephony (including, but not limited to network routers, switches, repeaters, and cabling)
Lot 3: Scientific research workstations, and other electronic devices and systems
Lot 4: Software (including operating systems)
Lot 5: Related warranty and maintenance services
Lot 6: Support services that provide direct support to Lots 1-5 products/services that are being (or have been) acquired under ECS III.
Agency Mission
While lots 1 through 5 are intended to support the agency mission, lot 6 is strictly to provide services that directly support CLINs in lots 1 through 5.

Figure 2. ECS III Lot 1 – 6 Relationship Chart